

THIS OPINION
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UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

King Ranch IP, LLC¹
v.
GWB, Inc.

Cancellation No. 92032301

Paul C. Van Slyke of Locke Liddell & Sapp LLP for King Ranch IP, LLC.

James E. Shlesinger of Shlesinger, Arkwright & Garvey LLP.

Before Rogers, Holtzman and Walsh, Administrative Trademark Judges.

Opinion by Walsh, Administrative Trademark Judge:

On July 31, 2001, King Ranch IP, LLC (petitioner) petitioned to cancel a registration owned by GWB, Inc. (respondent), namely, Reg. No. 2422044 for the mark RANCH KING for goods identified as "headwear" in International Class 25. The application for this registration was filed on February 1, 1999; the registration issued on January 16, 2001; and it is active. The registration specifies a date

¹ In an order mailed August 9, 2006, the Board granted the motion by King Ranch, Inc., to substitute King Ranch IP, LLC as petitioner.

of first use anywhere and first use in commerce on June 1, 1999.

As grounds for cancellation petitioner asserts a likelihood of confusion under Trademark Act Section 2(d), 15 U.S.C. § 1052(d), between respondent's RANCH KING mark and petitioner's KING RANCH mark for various goods and services. Petitioner asserts that it used its KING RANCH mark on a variety of goods and services, including hats and other types of clothing, long before respondent filed its application or began use of the registered mark. Petitioner also pleaded ownership of Reg. No. 2351709 for the KING RANCH mark for "clothing for men, women and children, namely, jackets, shirts, T-shirts, shorts, pants, hats, caps, bandannas, belts, boots, blouses, skirts, dresses, vests, hunting vests, hunting pants and protective leggings." The registration, which is active, issued on May 23, 2000 from an application filed on May 4, 1999. The registration claims first use anywhere and first use in commerce on December 31, 1923.

Petitioner has filed a brief but respondent has not. Respondent appeared at an oral hearing but petitioner did not. For the reasons indicated below, we grant the petition for cancellation.

The Record

In addition to the file for the RANCH KING registration and the pleadings, the record includes the following: petitioner's testimonial depositions of Sharon Shaw and Rose Morales with exhibits; petitioner's notices of reliance on numerous printed publications and dictionary entries, status and title copies of certain registrations owned by petitioner including Reg. No. 2351709,² and certain responses by respondent to petitioner's interrogatories; respondent's affidavit by Chris I. Fitterling, submitted under a stipulation by the parties; respondent's notice of reliance on certain USPTO application and registration records, certain dictionary entries, and certain responses by petitioner to respondent's interrogatories.

Findings of Fact

Petitioner

Petitioner and its predecessors have operated the King Ranch, located principally in South Texas, since its establishment in 1853 by Captain Richard King. The South Texas King Ranch covers more than 1,300 square miles, an area larger than the State of Rhode Island. The ranch is home to over 50,000 cattle and 300 horses. By any measure, even Texas standards, the ranch is impressive in size. The

² Although petitioner made numerous KING RANCH registrations of record, petitioner only pleaded Reg. No. 2351709. Accordingly, we have not considered the registrations which were not pleaded.

ranch has also become known as a result of publicity extending over many decades. Petitioner has documented the history of the ranch and publicity about the ranch primarily through a wide range of publications and through the testimony of Sharon Shaw and Rose Morales. Each of the witnesses had been employed on the King Ranch for many years in a number of capacities, including in management positions related to the retail sale of goods under the KING RANCH mark.

The King Ranch is a National Historic Landmark. The ranch was featured in a cover story in Time Magazine in 1947 and in LIFE Magazine in 1957. The King Ranch was also among the subjects featured in the "Cattle Barons" installment of the 1997 A&E television and video series entitled America's Castles. The King Ranch has also produced a Triple Crown winner, Assault. The ranch played a significant role in the development of the ranching business, most notably in breeding and raising cattle.

The references to the King Ranch in periodicals in the record consist principally of stories about subjects other than the ranch where a passing reference is made to the King Ranch. Adjectives, such as famous or renown, consistently modify "King Ranch" in these articles. The articles come from sources within Texas, as well as national and international publications.

The enterprises connected with the King Ranch extend from the traditional ranching businesses, including beef production, to oil wells, to tourism and the provision of a wide variety of goods under the KING RANCH trademark beginning with leather saddles dating from the early days of the ranch. The ranch has offered tours, including hunts, wildlife tours, bird-watching tours, museum and nature tours, some since as early as the 1920s and all since at least 1992.

The ranch began the retail sale of more typical consumer goods more recently. Petitioner states, "Petitioner, and its divisions and affiliates, sells (sic) a wide variety of goods and services under the KING RANCH mark. These include clothing, multi-purpose hand tools, gun cases, jewelry, pens, leather desk accessories, saddles, luggage, dinnerware, furniture, cutlery, golf towels and balls, food products, nature tours, and cattle breeding services, to name a few." Petitioner's Brief at 8 (footnotes omitted). Petitioner has also licensed the KING RANCH mark for use on a line of pickup trucks sold by the Ford Motor Company.

Petitioner sells its goods and services through catalogs, web sites, and in its own retail store operations on the ranch itself and in Kingsville, Texas. Petitioner currently mails approximately one million catalogs to

potential customers each year; petitioner has mailed approximately eight million catalogs since 1992.

Petitioner's hats bearing the KING RANCH mark are among the goods featured in those catalogs.

For our purposes, the most important products are petitioner's clothing, and in particular, hats. Through testimony and exhibits, including samples of catalogs, petitioner has established that it has used the KING RANCH mark on clothing, including hats, continuously since at least as early as 1992. The hats include caps and brimmed hats, such as straw hats and cowboy-style hats. Overall King Ranch has sold over \$1,500,000 in hats under the KING RANCH mark from 1993 to 2003. The sales for all products sold under the KING RANCH mark from 1992 to 2003 are approximately \$58 million.

Petitioner advertises its goods and services, including clothing and hats, principally in local publications in South Texas, and to a limited extent in publications with wider circulation, such as Texas Monthly and Southern Living magazines, as well as magazines and catalogs distributed through national airlines. The record does not include any specific circulation figures for any publications in which petitioner advertises. From 1999 through 2000 petitioner spent approximately \$21,000 in magazine advertising.

Respondent

The affidavit of Chris I. Fitterling is the primary source of information about the respondent and its use of the RANCH KING mark, apart from the particulars of the registration noted above. Mr. Fitterling is a vice president of a company related to respondent and, as a result of holding that position, Mr. Fitterling has actual knowledge of respondent's marketing of products under the RANCH KING mark. Respondent sells hats under numerous marks, including RANCH KING. Respondent sold over \$1,200,000 in hats under the RANCH KING mark from June 1999 until November 11, 2003, the date of the Fitterling affidavit.

Mr. Fitterling was not aware that petitioner was a competitor, and furthermore, Mr. Fitterling was not aware of any confusion between the KING RANCH and RANCH KING marks. Mr. Fitterling stated his belief that the KING RANCH and RANCH KING marks created different commercial impressions because petitioner's mark referred to an individual with the KING surname and respondent's mark conveys "quality, superiority and leadership." Fitterling Affidavit at 4. Mr. Fitterling states that respondent's "channel of trade" for its goods sold under the RANCH KING mark is "our established distribution network." Id. There is no

evidence in the record regarding the nature of that "network."

Analysis

Standing

Standing is a threshold inquiry in every inter partes case. In Ritchie v. Simpson, 170 F.3d 1092, 50 USPQ2d 1023 (Fed. Cir. 1999), the Federal Circuit has enunciated a liberal threshold for determining standing, that is, whether one's belief that one will be damaged by the registration has a reasonable basis in fact and reflects a real interest in the case. See also Jewelers Vigilance Committee Inc. v. Ullenberg Corp., 823 F.2d 490, 2 USPQ2d 2021, 2023 (Fed. Cir. 1987); and Lipton Industries, Inc. v. Ralston Purina Company, 670 F.2d 1024, 213 USPQ 185 (CCPA 1982).

Petitioner has alleged and submitted evidence of use of its KING RANCH mark in connection with clothing, including hats, as well as other goods and services. We consider this evidence sufficient to establish petitioner's standing.

Priority

Because both petitioner and respondent own registrations, neither party has priority simply because it owns a registration. Brewski Beer Co. v. Brewski Brothers, Inc., 47 USPQ2d 1281, 1284 (TTAB 1998). In a case such as this, "... the registrations of each party offset each other... [and] petitioner as a plaintiff, must, in the first

instance, establish prior rights in the same or similar mark..." Id.

In this case, because respondent has not submitted any evidence of an earlier priority date, the earliest date upon which it can rely is the filing date of its underlying application, that is, February 1, 1999. Intersat Corp. v. International Telecommunications Satellite Organization, 226 USPQ 154, 156 n. 5 (TTAB 1985). Because petitioner's underlying application was not filed until May 4, 1999, petitioner is required to show use prior to February 1, 1999 to establish its priority. Petitioner has done so by establishing through competent evidence that it used the KING RANCH mark on clothing, including hats, at least as early as 1992, as noted in our findings of fact. Accordingly, petitioner has priority and the issue of likelihood of confusion is determinative in this case.

Likelihood of Confusion

The opinion in In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 177 USPQ 563, 567 (CCPA 1977), sets forth the factors to consider in determining likelihood of confusion. We must determine the issue of likelihood of confusion based on the evidence of record relating to the factors. In re Majestic Distilling Co., 315 F.3d 1301, 65 USPQ2d 1201, 1203-04 (Fed. Cir. 2003). Here, as is often the case, the crucial factors are the similarity of the marks and the

similarity of the goods of the petitioner and respondent. Federated Foods, Inc. v. Fort Howard Paper Co., 544 F.2d 1098, 192 USPQ 24, 29 (CCPA 1976) ("The fundamental inquiry mandated by Section 2(d) goes to the cumulative effect of differences in the essential characteristics of the goods and differences in the marks.").

The Goods and Channels of Trade - The goods of petitioner and respondent need not be identical to find likelihood of confusion under Section 2(d) of the Trademark Act. They need only be related in some manner or the circumstances surrounding their marketing must be such that they would result in relevant consumers mistakenly believing that the goods originate from the same source. On-Line Careline Inc. v. America Online Inc., 229 F.3d 1080, 56 USPQ2d 1471 (Fed. Cir. 2000).

Furthermore, in comparing the goods and channels of trade we must consider the goods as identified in the respondent's registration. See Octocom Systems, Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990). See also Paula Payne Products v. Johnson Publishing Co., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973) ("Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods."). Because petitioner relies on common law rights acquired through use of its mark

in addition to a registration, petitioner is not limited to those goods identified in its registration in the comparison of goods.

The goods in respondent's registration are identified simply as "headwear." Petitioner has established earlier use of its KING RANCH mark on hats, a type of headwear. Accordingly, we conclude that the goods of the parties are identical.

Furthermore, in comparing the channels of trade for the goods, as we noted above, we must again consider the goods as identified in respondent's registration. Respondent's registration does not specify any trade-channel limitations. Accordingly, we must assume that respondent's goods travel in all usual trade channels for such goods. In view of the fact that the goods of the parties are identical, we conclude that the channels of trade and potential purchasers for respondent's goods are the same or overlapping with the petitioner's goods.

For completeness we also note that respondent's goods, as identified, could include relatively inexpensive headwear, for example, caps, an item which could be purchased with little deliberation, and an item which petitioner also sells under its mark. Furthermore, we note that, "the degree of similarity [between the marks] necessary to support the conclusion of likely confusion

declines" when the goods are identical. Century 21 Real Estate Corp. v. Century Life of America, 970 F.2d 874, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992), cert. denied, 506 U.S. 1034 (1992).

The Marks - In comparing the marks we must consider the appearance, sound, connotation and commercial impression of the marks at issue. Palm Bay Imports Inc. v. Veuve Clicquot Ponsardin Maison Fondee En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1692 (Fed. Cir. 2005).

In this case we have a classic example of two marks consisting of the same two words where the order of the words is inverted - KING RANCH versus RANCH KING. In such a case, the key to determining whether the marks are confusingly similar is whether the marks have different connotations or "create distinctly different commercial impressions." In re Nationwide Indus. Inc., 6 USPQ2d 1882, 1884 (TTAB 1988), citing, Bank of America National Trust and Savings Assn. v. American National Bank of St. Joseph, 201 USPQ 842 (TTAB 1978). Cf. In re Wine Society of America Inc., 12 USPQ2d 1139 (TTAB 1989).

In this case, petitioner argues that the commercial impressions of the two marks are the same. Specifically, petitioner argues that its KING RANCH mark suggests high quality and that respondent's RANCH KING mark does likewise by emulating petitioner's mark. Petitioner points to the

"tradition of quality" associated with the King Ranch itself and the KING RANCH mark. Petitioner's Brief at 18. At oral argument, respondent argued, as the Fitterling affidavit alleges, that the commercial impressions of the marks differ because KING in petitioner's mark is a surname referring to the founder of the ranch and respondent's mark conveys no such meaning, but rather "quality, superiority and leadership." Fitterling Affidavit at 4.

Both petitioner and respondent have submitted numerous dictionary definitions for both "king" and "ranch" in an apparent attempt to show, either respectively, that the marks do or do not convey the same or similar commercial impressions. Under these circumstances, the competing dictionary entries are not particularly probative or persuasive.

First, we note that the two marks are similar in both appearance and sound. Although the inversion of the words alters the appearance and sound, the difference is not significant. In fact, this appears to be one of the few cases addressing the inversion of word order where the two words are identical in all respects. See Bakers Franchise Corp. v. Royal Crown Cola Co., 404 F.2d 985, 160 USPQ 193 (CCPA 1969) (DIET RITE held confusingly similar to RITE DIET). Cf. In re Nationwide Indus. Inc., 6 USPQ2d at 1884 (RUST BUSTER held confusingly similar to BUST RUST); Bank of

America National Trust and Savings Assn. v. American National Bank of St. Joseph, 201 USPQ at 8432 (AMERIBANC held confusingly similar to BANKAMERICA and BANK OF AMERICA).

With regard to connotation and commercial impression, we conclude that the marks are virtually identical in these respects. We are not persuaded by respondent's argument that potential purchasers will perceive the alleged surname significance of KING in petitioner's mark. We have no evidence either that potential purchasers of headwear will have detailed knowledge of the history of the King Ranch or that they would perceive a reference to Captain Richard King or any of his descendants in the KING RANCH mark when used on hats.

Rather, we conclude that both words KING and RANCH convey the same meanings in both marks, and that the combination of the words in both marks, though in inverse order, also conveys the same connotation and commercial impression. In both marks KING connotes something regal or superior, something of high quality, and RANCH connotes that the relevant goods are suitable for or otherwise associated with ranches or like places. The inversion in the order does nothing to alter these connotations or the commercial impressions of the marks. Accordingly, we conclude that the marks are similar overall.

Fame - Petitioner argues that its mark is famous, and therefore, entitled to a broad scope of protection. Petitioner has provided evidence of the long history of the King Ranch, as well as the notoriety the ranch has achieved, principally for its size and its role in the development of the ranching business. However, the use of the KING RANCH mark in connection with clothing, particularly hats, covers a period of just over ten years, and the sales and advertising related to hats sold under the KING RANCH mark over that period are modest in scope. In the absence of any evidence in the record which provides a context for sales of hats generally, other than the specific sales of petitioner and respondent under their respective marks, we conclude that petitioner's hat sales represent a relatively small share of the hat market.

Accordingly, based on the entire record, we conclude that petitioner has shown only a de minimis degree of "renown" for the KING RANCH mark as applied to clothing, particularly hats. Any renown derives from the notoriety of the ranch generally. The degree of renown shown here would entitle petitioner to only a marginally broader scope of protection than would otherwise apply for its KING RANCH mark as applied to hats. Gillette Canada Inc. v. Ranir Corp., 23 USPQ2d 1768, 1774 (TTAB 1992). See Kenner Parker Toys Inc. v. Rose Art Industries Inc., 963 F.2d 350, 22

USPQ2d 1453, 1456 (Fed. Cir. 1992). The showing falls far short of that required to qualify the mark for inclusion in the select class of marks which are characterized as famous. See NASDAQ Stock Market Inc. v. Antarctica S.r.l., 69 USPQ2d 1718 (TTAB 2003). Furthermore, we note that we would reach the same conclusion on the ultimate question of likelihood of confusion with or without a finding of renown for petitioner's mark.

Actual Confusion - Respondent also appears to argue that there has been no actual confusion between its mark and petitioner's mark by relying on petitioner's interrogatory response indicating that petitioner was not aware of any confusion and Mr. Fitterling's assertion that he was not aware of any confusion. While we must presume overlapping channels of trade in comparing the goods because of governing precedent, in considering actual confusion, we must focus on whether there have been real opportunities for such confusion to occur. We find no evidence in this record indicating that there has been a significant opportunity for confusion. In this regard, we note that respondent has not even delineated the trade channels for its goods.

More importantly, we reject respondent's implied argument that the absence of actual confusion in this record supports its position generally. The Federal Circuit has stated, "A showing of actual confusion would of course be

highly probative, if not conclusive, of a high likelihood of confusion. The opposite is not true, however. The lack of evidence of actual confusion carries little weight (citation omitted)" Majestic, 65 USPQ2d at 1205. See also In re Kangaroos U.S.A., 223 USPQ 1025, 1026-27 (TTAB 1984).

Accordingly, we conclude that the actual-confusion factor is neutral in this case.

Conclusion

Finally, we have considered all relevant evidence in this case bearing on the du Pont factors and conclude that there is a likelihood of confusion between petitioner's KING RANCH mark and respondent's RANCH KING mark. We conclude so principally because the goods are identical and the marks are similar in appearance and sound and virtually identical in connotation and commercial impression, and due to the strength of petitioner's KING RANCH mark.

Decision: The petition for cancellation is granted on the ground of likelihood of confusion. The registration will be cancelled in due course.